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**UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA**

KEITH ANDREWS, an individual,
 TIFFANI ANDREWS, an individual,
 BACIU FAMILY LLC, a California
 limited liability company, ROBERT
 BOYDSTON, an individual, CAPTAIN
 JACK'S SANTA BARBARA TOURS,
 LLC, a California limited liability
 company, MORGAN CASTAGNOLA, an
 individual, THE EAGLE FLEET, LLC, a
 California limited liability company,
 ZACHARY FRAZIER, an individual,
 MIKE GANDALL, an individual,
 ALEXANDRA B. GEREMIA, as Trustee
 for the Alexandra Geremia Family Trust
 dated 8/5/1998, JIM GUELKER, an
 individual, JACQUES HABRA, an
 individual, ISURF, LLC, a California
 limited liability company, MARK

Case No. 2:15-cv-04113-PSG-JEM

[Consolidated with Case Nos. 2:15-
 CV- 04573 PSG (JEMx), 2:15-CV-
 4759 PSG (JEMx), 2:15-CV-4989
 PSG (JEMx), 2:15-CV-05118 PSG
 (JEMx), 2:15-CV- 07051- PSG
 (JEMx)]

**DECLARATION OF ROYCE
 DON DEEVER IN SUPPORT OF
 PLAINTIFFS' MOTION FOR
 CLASS CERTIFICATION**

Date: November 7, 2016
 Time: 1:30 p.m.
 Courtroom: Hon. Philip S. Gutierrez

1 KIRKHART, an individual, MARY
2 KIRKHART, an individual, RICHARD
3 LILYGREN, an individual, HWA HONG
4 MUH, an individual, OCEAN ANGEL IV,
5 LLC, a California limited liability
6 company, PACIFIC RIM FISHERIES,
7 INC., a California corporation, SARAH
8 RATHBONE, an individual,
9 COMMUNITY SEAFOOD LLC, a
10 California limited liability company,
11 SANTA BARBARA UNI, INC., a
12 California corporation, SOUTHERN CAL
13 SEAFOOD, INC., a California
14 corporation, TRACTIDE MARINE
15 CORP., a California corporation, WEI
16 INTERNATIONAL TRADING INC., a
17 California corporation and STEPHEN
18 WILSON, an individual, individually and
19 on behalf of others similarly situated,

20
21 Plaintiffs,

22 v.

23 PLAINS ALL AMERICAN PIPELINE,
24 L.P., a Delaware limited partnership,
25 PLAINS PIPELINE, L.P., a Texas limited
26 partnership, and JOHN DOES 1 through
27 10,

28 Defendants.

1 I, ROYCE DON DEEVER, hereby declare:

2 1. I am the President, co-owner, and engineer of DEATECH Consulting
3 Company, an oil and gas pipeline consulting company. I am a Licensed
4 Professional Engineer in Texas in the field of mechanical engineering. Plaintiffs
5 hired me in this proceeding to opine on how, if at all, Plains All American's
6 (Plains) management of Lines 901 and 903 contributed to the May 19, 2015 oil spill
7 and whether the corrective actions issued by the Pipeline Hazardous Material Safety
8 Administration (PHMSA) will be sufficient to protect Plaintiffs and the public at
9 large from future harm.

10 2. The following declaration is based on my decades of experience in the
11 oil pipeline industry as both an employee of a pipeline company and as a consultant
12 and on publicly available information. My analysis is preliminary and subject to
13 my review of additional documents and any other additional pertinent information I
14 rely on in my final report.

15 3. Based on my analysis to date, and as described in more detail below, it
16 is my opinion that the Line 901 rupture is a direct result of Plains' deficient
17 management and maintenance of the Pipeline. These deficiencies were not single
18 events, isolated, or caused by out-of-the-ordinary conditions. They are indicative of
19 a company that (1) did not devote sufficient resources to protecting the integrity of
20 Lines 901 and 903, (2) ignored red flags, (3) did not abide by governing
21 regulations, and (4) did not comply with pipeline industry compliance documents.

22 **Professional Background**

23 4. I worked for Exxon Pipeline and Exxon affiliates for over 33 years in
24 numerous technical and management positions. Work activities involved
25 consulting within Exxon, on the Trans Alaska Pipeline System, ARAMCO in Saudi
26 Arabia, Exxon pipeline affiliates, and numerous industry committees and work
27 groups. I created DEATECH in 1997, where I provide consulting and expert
28 witness services to pipeline companies and individuals and businesses who will be,

1 or have been, impacted by pipelines. My work activities at Exxon as a subject
 2 matter expert and later at DEATECH specifically included pipeline regulations,
 3 pipeline accident analysis, pipeline corrosion control, fracture prevention and
 4 control, and in-line pipeline inspection.

5 5. My compensation for work on this matter is \$395/hour for engineering
 6 consulting and analyses and \$495/hour for testimony.

7 6. My current CV is attached as Exhibit 1.

8 **Background on the Rupture of Line 901 and Shutdown of Lines 901 and 903**

9 **The Rupture of Line 901**

10 7. Line 901 ruptured on May 19, 2015, spilling oil into the surrounding
 11 areas, including the ocean. PHMSA issued a 500+ page failure investigation report
 12 on the release. *PHMSA Failure Investigation Report Plaines Pipeline, LP, Line*
 13 *901, Crude Oil Release, May 19, 2015* (Failure Investigation Report). The most
 14 salient points from the report, as relevant to my opinions in this declaration, are as
 15 follows.

16 8. Contributory causes to the rupture, included:

- 17 a. Ineffective protection against external corrosion of the pipeline.
 - 18 i. Condition of the pipeline's coating and insulation system
 - 19 fostered an environment that led to external corrosion.
 - 20 ii. Pipeline's cathodic protection system was not effective in
 - 21 preventing corrosion from occurring beneath the pipeline's
 - 22 coating/insulation system.
- 23 b. In-line inspection (ILI) tool and subsequent analysis of ILI data did
- 24 not accurately characterize the extent and depth of the external
- 25 corrosion.
- 26 c. Lack of timely detection and response to the rupture.

- i. Supervisory control and data system (SCADA) did not have safety related alarms established at values sufficient to alert the control room staff of the release at this location.
- ii. Control room staff did not detect the abnormal conditions in regards to the release as the abnormal condition occurred.
- iii. Pipeline controller restarted Line 901 after the release occurred.
- iv. Pipeline's leak detection system lacked instrumentation and associated calculations to monitor line pack along all portions of the pipeline when it was operating or shutdown.
- v. Control room staff training lacked formalized and sufficient requirements including emergency shutdown and leak detection functions such as alarms.
- vi. The Plains' oil spill response plan did not identify the culvert near the release site as a spill pathway to the Pacific Ocean.

See Failure Investigation Report at 14-17.

9. The Failure Investigation Report also noted that Plains had previously identified significant and growing corrosion at the Line 901 leak site in 2007, 2012, and 2015 during in line inspections. Based on the level of corrosion, Plains should have excavated and inspected this section of the pipeline before the May 19, 2015 failure. Failure Investigation Report, Appendix G at 22, Table 7 & Figure 17.

Plains Operating Events

10. The causes of the rupture and extent of the release were due to operator errors, including:

- a. While a Plains' technician was removing a motor from a non-operating pump unit at Sisquoc Station, the operating pump unit was shut down causing a rise in pressure at Las Flores.

- b. The pressure at Las Flores rose from 575 psig to 696 psig due to a surge pressure.
- c. The controller shutdown the pump at Las Flores and the pressure remained at 677 psig.
- d. About four (4) minutes later at 10:55 a.m., the pump was restarted at Las Flores causing a rise in pressure to 721 psig. Then the pressure suddenly dropped to 199 psig with a higher flow rate of 2042 BPH.
- e. The leak detection system did not indicate a release had occurred with a low pressure alarm until 10:58 a.m., three (3) minutes later. However, the Plains' controller did not recognize this as an abnormal condition and failed to take action as required by governing regulations.
- f. The accident report indicated the release began at 10:57 a.m., but the pipeline was not shut down until 11:30 a.m.

See Failure Investigation Report at 6, 15-16, Appendix B.

11. Plains' own report of the incident also demonstrated that Plains had not implemented some of the governing safety regulations. The safety regulations that pipeline operators must abide by are codified in the Code of Federal Regulations at 49 CFR Part 195. Section 195.260(c) specifically requires, and has required since before Lines 901 and 903 were constructed, that valves "must be installed" on "each mainline at locations . . . that will minimize danger or pollution from accidental hazardous liquid discharge, as appropriate for the terrain. . . ." But Plains indicated in its report that the valves on Line 901 were 56,752 feet (10.75 miles) apart, meaning that there were no block valves between Las Flores and Gaviota despite a terrain that, in my experience, pipeline operators and regulators would consider to be a prime location for requiring valves.

12. The conclusion from the above is that the causes were not single mistakes, but systematic problems with how Plains failed to properly maintain the pipeline and train its employees.

The Shutdown of Lines 901 and 903

13. Based on initial investigations of Lines 901 and 903 subsequent to the rupture, PHMSA identified a number of concerns related to the extent of corrosion, unresolved inconsistencies related to inspection results, and the insulation and shrink wrap used on the lines. The external coatings and insulation on Lines 901 and 903 prevent cathodic protection from preventing external corrosion. PHMSA therefore ordered Plains to shutdown both lines until certain corrective actions were taken. As described below, the corrective actions are not likely to protect Plaintiffs and the public at large from future harm.

THE RUPTURE OF LINES 901 RESULTED FROM DECADES OF DEFICIENT MANAGEMENT

Lines 901 and 903 Were Not Properly Coated Despite Industry Knowledge that Flaws in Insulation Would Promote Corrosion

14. Plains' Lines 901 and 903 were constructed in the late 1980s and placed in crude oil service in 1992 and 1991 respectively. The problems with corrosion of buried insulated pipelines were well known in the industry when the pipelines were constructed. A number of publications dating back to 1986 indicate external corrosion problems with buried thermally insulated pipeline, like that used for Lines 901 and 903. *See* NACE Report No. 24156, 2006 edition at 8 (compiling publications). The report compiling these publications was attached to PHMSA's investigation into the rupture. Failure Investigation Report, Appendix O.

15. The pipelines transported dense, high viscosity crude oil that was heated to reduce its viscosity for more ease of transportation. The pipelines were insulated with urethane to maintain the elevated higher temperatures. However, the urethane insulation also electrically insulated the buried pipeline from the cathodic

1 protection electrical current needed to prohibit or mitigate external corrosion of the
2 pipeline in areas where the coating failed or was damaged. No external protective
3 coating is 100% effective by itself during the life of a pipeline. Effective cathodic
4 protection is therefore essential.

5 16. However, none of the original All American Pipeline from Las Flores
6 to Bakersfield can be cathodically protected due to the presence of urethane
7 insulation and the polyethylene coating. Flaws in the insulation will allow moisture
8 to reach the area under the insulation to create corrosion cells where the coating is
9 missing or disbonded. The high operating temperatures weaken coatings leading to
10 disbondment from the pipe surface. The pipe joints were coated with polyethylene,
11 an electrical insulator that was well known to cause shielding to prevent cathodic
12 protection electricity from reaching the pipeline and protecting it from corrosion.
13 Plains Did Not Properly Assess Lines 901 and 903 for Purposes of Determining
14 Maintenance Requirements

15 17. In late 2000, PHMSA adopted new regulations requiring pipeline
16 operators to develop Integrity Management Plans (IMP) for pipelines in high
17 consequence areas such as Lines 901 and 903. The goals of the IMPs were, in part,
18 to accelerate the integrity assessment of pipelines in high consequence areas,
19 improve integrity management systems, and provide increased public assurance in
20 pipeline safety.

21 18. Pipeline companies had to identify pipeline segments that were in high
22 consequence areas, perform a baseline assessments of those segments, perform
23 regular follow-up assessments, and incorporate all the information learned from the
24 assessments into their management of the pipelines (including operating
25 parameters, maintenance schedules, and timing of follow-up assessments). Plains
26 had to assess at least 50% of such segments, beginning with the highest risk pipe –
27 determined in part by material, manufacturing information, coating type, and
28 cathodic protection history – by September 30, 2004. It had to complete its entire

1 baseline assessment of all such segments by March 31, 2008. Plains, however, did
2 not complete its baseline assessment of Line 901 until June 21, 2015, almost 11
3 years after it should have been completed and about a month after the May 19, 2015
4 oil spill from Line 901. *See* Failure Investigation Report at 8.¹

5 19. Plains' initial or baseline integrity assessment process was supposed to
6 cover several steps that would have, if properly performed and analyzed, identified
7 issues related to the causes of the spill. These steps include:

- 8 a. An information analysis that includes and integrates "all available
9 information" of the entire pipeline.
- 10 b. A risk analysis of the pipeline on "all risk factors" for determining the
11 type(s) of integrity test or ILI to be performed.
- 12 c. Pipeline segments are to be ranked based on the risk scores using all
13 available information.
- 14 d. The priorities and timing to complete the integrity management
15 activities are to be based on the risk scoring.
- 16 e. After the tests and/or inspections are performed, the operator must
17 analyze the testing and inspection results to determine if the baseline
18 tests and/or inspections met specified requirements. The operator must
19 excavate numerous areas along the pipeline to determine adequacy of
20 the tests and/or inspections and compliance with stated requirements to
21 detect and define the characteristics of all potentially adverse integrity
22 and safety related conditions.
- 23 f. If the integrity assessment did not meet Plains stated requirements,
24 another integrity assessment test must be conducted.

25
26
27
28 ¹ As described below, I have not located publicly available information that would
allow me to make similar analyses for Line 903.

- g. All the testing and inspection data must be analyzed to determine through an integrity analysis, the “fitness for service” of each condition found during the testing and inspections.
- h. Baseline integrity assessment activities are to be evaluated to determine the adequacy of the overall integrity assessment and to define future activities to monitor the pipeline’s integrity. The timing of the next integrity assessment and/or imperfections should be determined from all available data.
- i. The need for additional preventative and mitigation activities should also be analyzed during the baseline and subsequent integrity reassessments.

20. A key aspect of the IMP process is its iterative and analytical repeating nature: develop a procedure, implement the procedure, test the procedure, make necessary changes, test the updated procedure, and implement the new procedures if they address the concerns. This is typical for PHMSA procedures. As described in more detail below, PHMSA develops performance-based, rather than prescriptive, procedures and relies on pipeline operators to implement the procedures in a way that achieves the desired performance objectives. Plains did not, however, adopt this iterative evaluation process and did not otherwise properly implement the IMP.

21. For instance, Lines 901 and 903 along with any other buried thermally insulated pipelines should have been in the highest risk score category but Plains did not place them in this category. With proper risk scores, Lines 901 and 903 also would have required additional preventative and mitigative measures to address pipeline safety and environmental protection that would have included improvements in the areas of: (a) leak detection, (b) corrosion prevention, (c) mechanical damage prevention, (f) emergency response, (g) emergency shutdown

1 procedures, (h) additional block valves, and (i) remote control or automatic closing
2 valves.

3 Plains Did Not Properly Perform Its Integrity Assessment

4 22. Plains first began its baseline assessment of Line 901 in 2007. The
5 2007 assessment identified 4,005 metal loss areas in the 10.7 miles of pipe in Line
6 901 between Las Flores and Gaviota, which impacted 15.5% of the 1,577 joints in
7 Line 901. 385 of those areas were more problematic clusters of numerous
8 corrosion pits that joined to form larger metal loss areas. These metal clusters were
9 reported to be up to 44.2 inches long and up to 36.5 inches wide. Over half of the
10 metal loss areas were in the first half mile where the pipeline temperatures were
11 highest, and many were close enough to affect each other or to interact to diminish
12 the strength of the corroded pipe.

13 23. Despite having identified more than 2,000 metal loss anomalies in the
14 first half mile of the pipeline, Plains never excavated and inspected the first 1.79
15 miles out of Las Flores. In 2015, it did not even include the first 1.79 miles in the
16 follow-up in-line-inspection report. The metal loss areas in Line 901 did not
17 receive a complete integrity assessment in the eight years between the initial
18 assessment and the rupture.

19 24. Plains also did not account for limitations in the methods used to
20 estimate the strength of corroded pipe. The In-Line Inspection (ILI) tool was
21 designed to identify and estimate individual instances of corrosion, but not
22 corrosion clusters. Because Plains relied solely on methods that were not
23 appropriate for corrosion clusters, many of the metal loss areas were misanalysed
24 and treated as if the corroded pipe was stronger than it actually was. Rather than
25 just relying on the ILI tool, all or at least the vast majority of the metal loss clusters
26 should have been excavated to determine the actual remaining wall thickness as
27 required in 49 CFR 195.585 and 195.587. Many of these metal loss clusters should
28 have been classified as “general corrosion” and evaluated for remedial action based

1 on the “actual remaining wall thickness” as required in 49 CFR Part 195. This type
2 of comprehensive excavation, inspection, and reanalysis is what is expected of
3 pipeline operators and is the minimum necessary to ensure the safe operation of the
4 pipelines.

5 25. Although Plains had identified 4,005 anomalies, it excavated only 13
6 spots of external corrosion in 2007, only five of which indicated metal loss
7 consistent with metal loss clusters. Even this limited inspection and reanalysis
8 identified problems with Plains’ process, which Plains never addressed. Although
9 the differences between ILI estimated and actual depth measurements were not
10 extreme, the differences between ILI estimated and actual length measurements
11 were great, with the assessment tool significantly understating the lengths of metal
12 loss areas.

13 26. This is significant because the strength of a metal loss area depends on
14 the depth, length, and width of metal loss. Long and/or wide metal loss areas must
15 be considered as “general corrosion” and analyzed as required in Sections 195.585
16 and 195.587. Many of the metal loss clusters therefore should have been treated as
17 general corrosion, not as single isolated metal loss areas, and subject to remedial
18 actions.

19 27. Pipeline companies must determine the metal loss detection capability
20 or accuracy of ILI surveys by comparing the actual measurements from excavation
21 digs to the dimensions estimated by the ILI survey. These comparisons are
22 essential to determine whether the survey met requirements specified by Plains for
23 the integrity assessment. If the statistical analysis indicates the survey did not meet
24 specified requirements, the ILI survey should be at least reanalyzed to correct the
25 estimated metal loss dimensions and/or reject the metal loss analysis. Plains did not
26 do either.

27 28. The information I have relied on under this heading is from Plains’
28 report on its 2007 inspection, which I downloaded from PHMSA’s website. *See*

1 http://phmsa.dot.gov/staticfiles/PHMSA/ERR/FRP/NEW!_~_2007_Plains_All_American_Pipeline_Inline_Inspection_Survey_Report_Las_Flores_to_Gaviota.pdf. I
2 was not able to locate publicly available versions of Plains' reports on its 2012 and
3 2015 inspections for Line 901, or any of its inspections for Line 903. I will be able
4 to incorporate information from these reports in my future analyses after Plains
5 produces the relevant reports. PHMSA's June 3, 2015 Amendment Number 1 to
6 the Corrective Action Order (CPF No. 5-2015-501H) does indicate that Plains had a
7 number of inconsistent results for its inspections of Line 903 in 2013 and 2014 that
8 it never resolved.

9
10 Plains Did Not Properly Perform Its Follow-Up Assessments

11 29. Section 195.452(j) in 49 CFR Part 195 requires a continual process of
12 evaluating and assessing a pipeline's integrity. After completing the initial baseline
13 integrity assessment in 2007, Plains was required to continue to assess Line 901 at
14 specified intervals and periodically evaluate the integrity of each pipeline segment.
15 The growth of corrosion and other potentially adverse conditions were required to
16 be monitored and analyzed.

17 30. Plains was required to conduct periodic inspections and evaluations at
18 least every five years and as frequently as needed to assure continued pipeline
19 integrity. The frequency of these evaluations was to be based on the risk factors
20 specific to each pipeline, including the results of prior assessments, such as the
21 2007 baseline assessment. The integrity assessments not only included the ILI
22 survey, but the evaluations of pipe strength affected by all anomalous conditions
23 found during each ILI survey.

24 31. The determination of when to perform the next assessment also had to
25 consider the additional corrosion that would continue to occur between
26 assessments. It was well known in the pipeline industry that buried piping not
27 under full cathodic protection will continue to corrode. This corrosion growth
28

1 includes depth, length and width of each corroded area, all of which impact the
2 strength of the pipeline.

3 32. Plains waited the maximum allowable time to perform a second ILI
4 survey and integrity assessment on Line 901. In waiting the maximum time period
5 of five years, Plains failed to consider the inaccuracies in the 2007 ILI survey and
6 thousands of unresolved anomalous conditions in Line 901 and continuing
7 corrosion growth.

8 Plains Operated Line 901 Beyond Its Reasonable Service Life

9 33. The growth of metal loss areas identified in the 2007, 2012, and 2015
10 ILI assessments shows that Plains operated Line 901 beyond its reasonable life due
11 to the extensive and large areas of corrosion. By matching metal loss areas, we can
12 calculate the corrosion growth rates, which can indicate whether the pipeline has
13 reached its end of life. Metal loss anomalies in the three ILI surveys were matched
14 for analysis of the growth in corrosion depth in external metal loss areas in the May
15 2015 ILI. *See* Final Inspection Report, Appendix G. About 70 to 73 of the external
16 metal loss areas detected by ILI were matched.

17 34. The external corrosion rates of the 70-73 matched areas were plotted
18 on probability graph paper for the analysis on Figures 6 and 7 of the 2015 ILI
19 report. The mean corrosion rate for 50% of the data was 7.324 mils per year
20 (0.007324 inch per year). The reported standard deviation of the data was reported
21 as 13.41 mils per year. However, about 30% of the data indicated the corroded
22 areas were “healing” themselves, because the corrosion growth was negative, i.e.
23 subsequent ILI surveys indicated the metal loss was diminishing. This is
24 impossible. These 30% of the data should not have been used in the analysis.

25 35. When the 30% of erroneous data is deleted, the mean for the remaining
26 data is about 11 mils per year at the original 65% point. The approximate
27 adjustments in the data plotted in Figure 7 should be:
28

Original %	Revised %	Corresponding mils per year
30	0.0	0
40	14.3	3
50	28.6	6
60	42.9	9
65	50	11
70	57.2	14
80	71.5	19
90	85.7	26
95	92.9	31
-	95.0	33
99.9	99.9	50

36. As shown above, the corrosion growth rate was about 33 mils (0.033 inch) per year.

37. To confirm my analysis, I also calculated the growth rate at a specified confidence level of 95%:

$$c = c_m + c_{sd} \times C_f$$

where:

c = corrosion growth rate, mils per year;

c_m = mean corrosion rate, mils per year;

c_{sd} = standard deviation of corrosion rates, mils per year; and

C_f = single sided uncertainty conversion factor.

1 38. For this analysis, $c_m = 11$ mils per year and $c_{sd} = 13.41$ mils per year.
2 The single sided uncertainty factor for a 95% confidence level is 1.645. The risk
3 weighted corrosion rate is 33 mils per year (0.033 inch per year).

4 39. This calculation confirms a corrosion rate of at least 33 mils per year
5 for continual assessment of Line 901 between integrity assessments. By way of
6 comparison, pipelines that have no corrosion control typically corrode at the rate of
7 10-15 mils per year. A 33 mil/year rate of corrosion, combined with the known
8 extent of corrosion on Line 901, indicates that Line 901 has extremely corrosive
9 conditions and has reached the end of its service life, especially in a high
10 consequence area where greater service reliability is required.

11 40. Because Line 903 is constructed of similar materials, has similar
12 coatings, is insulated in a similar manner, runs through similar soils, and transports
13 the same type of product, I expect, based on my professional experience, that Line
14 903 is also at or near the end of its reasonable service life.

15 Plains Has a Poor Safety Performance Record

16 41. In 2011, PHMSA ranked the safety performance of 147 gas
17 transmission and petroleum pipeline operators. Plains' rankings were poor:

- 18 a. Number of regulated miles, 41 from the highest.
19 b. Number of incidents, 11 from the highest (or worst).
20 c. Number of incidents per mile, 6 from the highest. Plains Marketing,
21 LP ranked second from the worst.
22 d. Number of inspections, 29 from the highest.
23 e. Number of enforcement actions, 19 from the highest.

24 Plains Has a History of Shirking Its Regulatory Reporting Obligations

25 42. Sections 195.55 and 195.56 in 49 CFR Part 195 require filing of safety
26 related condition reports on any of the following conditions located 220 yards or
27 less from any building intended for human occupancy, outdoor place of assembly,
28 or onshore location where a release of crude oil could reasonably be expected to

1 pollute any body of water. This applies to all locations where the safety related
2 condition is not corrected within 10 working days after a representative of the
3 operator discovers the condition.

- 4 a. General corrosion that has reduced the wall thickness to less than
5 required for the allowable maximum operating pressure,
- 6 b. Localized corrosion pitting to a degree where leakage might result,
- 7 c. Any condition that could lead to an imminent hazard and causes a 20%
8 or more reduction in operating pressure of a pipeline, and/or
- 9 d. Any material defect or physical damage that impairs the serviceability
10 of a pipeline.

11 43. In 2007, Plains did not file numerous safety related condition reports
12 on the corrosion found in Line 901 and other buried thermally insulated pipelines.

13 44. Plains also reduced its maximum operating pressure but failed to
14 report the reduction in a condition report. Safety related condition reports are
15 critical for pipeline safety, because they allow pipeline safety agencies to monitor
16 an operator's actions and to eliminate or otherwise address the safety condition.
17 Plains failed to file safety related condition reports and violated these critical
18 provisions and safeguards set forth in 49 CFR Part 195.

19 **PHMSA's Required Corrective Actions**

20 **Are Unlikely to Protect Against Similar Ruptures**

21 45. PHMSA issued a number of Corrective Action Orders (CAOs) to
22 Plains as a result of the May 19, 2015 spill. Plains is supposed to address the issues
23 raised and satisfy the conditions identified in the CAOs before reopening Lines 901
24 and 903. However, there are a number of reasons to believe that the CAOs will, in
25 my professional opinion, be insufficient to protect Plaintiffs and the public at large
26 from future harm.

27 46. The CAOs that PHMSA issued to Plains related to Lines 901 and 903
28 are very general and depend primarily on the initiatives of Plains on how to address

1 each corrective action. Despite having been authorized, and even required, by
2 Congress to implement comprehensive and specific regulations, PHMSA has not
3 done so. Instead, it has issued general, performance-based regulations. This means
4 that the regulations specify in general terms the safety activities that need to be
5 performed but leave the details of how to perform those activities to the pipeline
6 operator. The specifics of how, and to what extent, the CAOs are completed are
7 usually determined by the pipeline operator. The generalized nature of PHMSA's
8 regulations limits the specificity PHMSA can require in its CAOs.

9 47. Pipeline operators often do the bare minimum in order to address any
10 required corrective actions. We have already seen this with Plains' response to the
11 CAOs. On May 11, 2016, Plains submitted a "Final Line 901 Remedial Work
12 Plan". This plan was rejected by the U.S. DOT, because the plan did not address all
13 the findings in the pipeline investigation report. PHMSA sometimes pushes
14 pipeline companies to take more comprehensive corrective actions. However,
15 because its regulations are so general and because it lacks sufficient resources,
16 PHMSA often is forced to acquiesce to the pipeline operators' limited approaches.

17 48. Examples of specific corrections that Plains should be required to
18 implement, but ultimately may not be required by the government to implement,
19 are:

- 20 a. Line 901 contains thousands of areas of corrosion, and ILI employed
21 by Plains to date has been ineffective. Any viable correction needs to
22 specify a second type of integrity assessment covered in 49 CFR Part
23 195 known as a long-term hydrostatic pressure test. Such a test would
24 have to be long-term to allow any temperature differences in the test
25 water and pipeline to stabilize.

- I declare under penalty of perjury under the laws of the State of Texas that the foregoing is true and correct.

Royce Don Deaver
ROYCE DON DEAVER

CERTIFICATE OF SERVICE

I, Robert J. Nelson, hereby certify that on August 22, 2016, I electronically filed Plaintiffs' **DECLARATION OF ROYCE DON DEEVER IN SUPPORT OF PLAINTIFFS' MOTION FOR CLASS CERTIFICATION** with the Clerk of the United States District Court for the Central District of California using the CM/ECF system, which shall send electronic notification to all counsel of record.

/s/ Robert J. Nelson
Robert J. Nelson